The Influence of Experiential Marketing and Emotional Marketing on Customer Loyalty at Starbucks Jemursari

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Abstract

Experiential Marketing is a way of providing customers with experience regarding the services or products they use so as to influence customer loyalty. Emotional Marketing aspects build emotional relationships beyond the experiences experienced by customers, warm emotional relationships build customer attachment to products or services. This research aims to determine the influence of Experiential Marketing and Emotional Marketing on customer loyalty at Starbucks Jemursari. This research method uses quantitative research. The population in this research is Starbucks Jemursari customers with a total of 103 respondents. The sampling technique uses a non-probability sampling method with purposive sampling technique. The analysis technique for this research uses the partial least squares (PLS) method. The research results show that Experiential Marketing has an effective influence on customer loyalty at Starbucks Jemursari and Emotional Marketing has an effective influence on customer loyalty at Starbucks Jemursari.

Keywords: Experiential Marketing, Emotional Marketing, customer loyalty

INTRODUCTION

The culture of drinking coffee in Indonesia has existed since ancient times, this culture is quite popular among Indonesian people. This can be seen from the many contemporary coffee shops, cafes, coffee shops and angkringan where their main product is coffee. In 2019 the growth of *coffee shops* in the city of Surabaya experienced a significant increase. Survey results from the East Java Indonesian Cafe and Restaurant Entrepreneurs Association (Apkrindo), the growth trend for coffee-based cafes has increased by 16% - 18% every year since 2019, in line with the modern lifestyle of the Widarti urban community (2019). With the significant development of the *coffee shop* business, business people must be able to compete by developing their own strategies and different values in growing customer loyalty.

Starbucks coffee is a company operating in the food and beverage sector that is famous in the world because it is one of the companies that is able to change the mindset of all citizens of the world on how to enjoy a cup of coffee. In Indonesia itself, Starbucks began entering in 2002, through PT Sari Coffee Indonesia. To date, Indonesia is also in the top 10 of the most official Starbucks outlets in the world, namely in seventh place with 478 outlets. In increasing customer loyalty at Starbucks Jemursari, the marketing strategies used are *Experiential Marketing* and *Emotional Marketing*.

Schmitt (1999) defines *Experiential Marketing* is where marketers offer products and services by stimulating consumer emotional elements which produce various experiences for consumers. Robinette (2001:4) *Emotional Marketing* is an effort made by companies to create sustainable relationships with customers, so that they feel valuable and cared for.

Experiential Marketing and *Emotional Marketing* is expected to be able to build the best experience value when using a service or product so as to create its own value for the company. Apart from customers enjoying the services provided by the company in the form of impressive experiences and good product quality, it will then be embedded in customers' minds that they will not only be loyal in using the service or product but also spread information about the company's products through *word of mouth*. This research will look at the influence of the two marketing strategies for Starbucks Jemursari, as well as which variables have the most significant influence on customer loyalty at Starbucks Jemursari.

The purpose of this research is to determine the influence of *Experiential Marketing* and *Emotional Marketing* on Customer Loyalty at Starbucks Jemursari. The specific objectives of this research are as follows: (1) To determine the influence of *Experiential Marketing* on Customer Loyalty at Starbucks Jemursari (2) To determine the influence of *Emotional Marketing* on Customer Loyalty at Starbucks Jemursari.

Literature review
Experiential Marketing

Experiential Marketing has a concept that seeks to eliminate the advantages of features and benefits that customers obtain not only to buy services/products, but to create experiences after consuming or using the product/service Schmitt (1999). It can be concluded that *Experiential Marketing* is a method of providing experiences that are positive and unforgettable and have a long-term impact on the company. There are four indicators that can influence *Experiential Marketing* according to Schmitt (2010), namely (1) *Sense Experience*, (2) *Act Experience,* (3) *Think Experience,* (4) *Relate Experience.*

Emotional Marketing

Emotional Marketing is a new approach in the world of marketing, emotional marketing will build relationships with companies, making it a vital part of the process of attracting consumer interest Khuong & Tram (2015). According to Robinette (2001:4, *Emotional Marketing* is an effort made by companies to create sustainable relationships with customers, so that they feel valuable and cared for. There are four indicators that can influence *Emotional Marketing* according to Robinette *et al* (2001:21), namely (1) *Equity,* (2) *Energy,* (3) *Product,* (4) *Money.*

Customer loyalty

Loyalty is a manifestation of the fundamental human need to belong, support, gain a sense of security and build attachment and create *emotional attachment* Hurriyati (2010). According to Hasan (2010) customer loyalty is defined as people who buy, especially those who buy regularly and repeatedly. A customer is someone who continuously and repeatedly comes to the same place to satisfy his desires by choosing a product or getting a service and paying for that product or service. There are four indicators that can influence customer loyalty according to Griffin (2005:31), namely (1) Making repeat purchases regularly (2) Making purchases between product and service lines (3) Referring to others (4) Demonstrating immunity to competitors.

Relationship between Experiential Marketing Variables and Customer Loyalty

According to Rudi Y, et al, (2022) the *Experiential Marketing variable* has a good influence on customer loyalty, as seen from customers who come and reuse services as well as

the response that customers receive well from marketers. According to Wungkana, J, J, et al (2022) *Experiential Marketing* has a good influence on customer loyalty, providing *live music facilities* and the product models offered produce new experiences so that they produce a good impression for every customer who comes.

(H1): It is suspected that *Experiential Marketing* has an effective effect on customer loyalty.

Relationship between Emotional Marketing Variables and Customer Loyalty

According to Rudi Y, et al, (2022) *Emotional Marketing* has a good influence on customer loyalty, *Emotional Marketing* is a new marketing technique which can produce an impression that touches the emotional side of customers. Meanwhile, according to Wungkana, J, J, et al (2022) it is *Emotional Marketing* has a good influence on customer loyalty, the service provided to customers produces emotional attachment so that customers feel comfortable and warm and customers are encouraged to make repeat purchases and even recommend.

(H2): It is suspected that *Emotional Marketing* has an effective effect on customer loyalty.
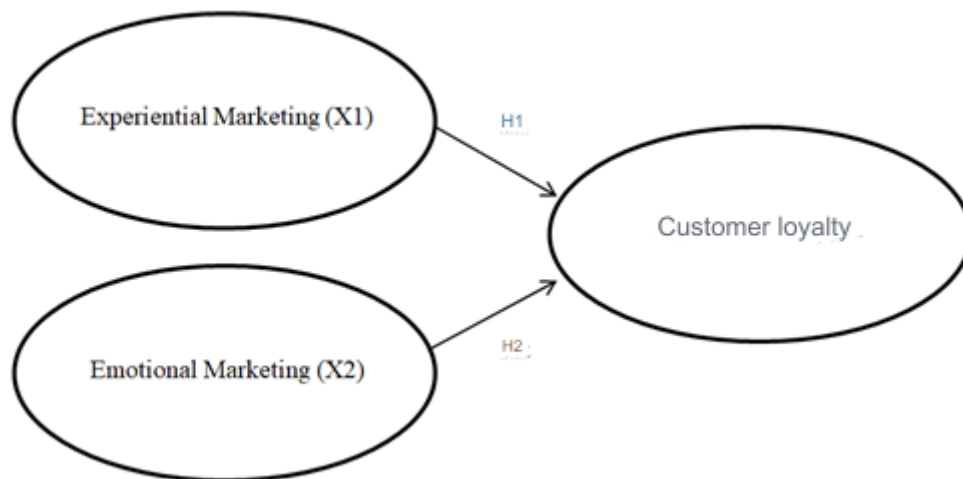

Figure 1. Conceptual Framework
Source: Researcher (2023)

RESEARCH METHODS

This type of research uses a quantitative approach with a population of all Starbucks Jemursari customers. Meanwhile, in determining the sample using a *non-probability sampling method* with a collection technique, namely *purposive sampling* or sampling based on predetermined criteria. The criteria in this research are customers who have made purchases more than once a month at Starbucks Jemursari. The sample in this study amounted to 103 respondents. The research instrument uses a questionnaire r using a Google form which has been designed so that it is able to measure each question's weight on all variables with partial least squares (PLS) analysis which uses a Likert scale to measure the indicators at levels from points 1 to 5.

RESEARCH RESULTS AND DISCUSSION

In the PLS technique, there are measurement models (*outer models*) and structural models and models (*inner models*). The measurement model explains how large the proportion of variance explained in the latent variable corresponds to each variable or manifest indicator.

Due to the nature of the measurement model, it is possible to determine which indicators play a greater role in forming the latent variable. If the outer model has been described and described, then the next process is the inner model, where this process will examine the influence of each variable between the exogenous variables on the endogenous variables that will be investigated.

Convergent Validity

Table 1 Outer Loading (Mean, STDEV, T-Value)

	Loading Factor (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (|O/STERR|)
X1.1 <- Experiential Marketing	0.494590	0.487084	0.104051	0.104051	4.753354
X1.2 <- Experiential Marketing	0.726721	0.719240	0.086781	0.086781	8.374199
X1.3 <- Experiential Marketing	0.774004	0.764446	0.054691	0.054691	14.152385
X1.4 <- Experiential Marketing	0.760645	0.753149	0.061148	0.061148	12.439473
X2.1 <- Emotional Marketing	0.537826	0.536578	0.106886	0.106886	5.031793
X2.2 <- Emotional Marketing	0.731888	0.729230	0.057606	0.057606	12.705091
X2.3 <- Emotional Marketing	0.764652	0.762136	0.049322	0.049322	15.503243
X2.4 <- Emotional Marketing	0.621723	0.626428	0.081471	0.081471	7.631180
Y1.1 <- Customer Loyalty	0.694751	0.687699	0.066663	0.066663	10.421905
Y1.2 <- Customer Loyalty	0.681788	0.681870	0.068424	0.068424	9.964107
Y1.3 <- Customer Loyalty	0.756479	0.755713	0.048590	0.048590	15.568683
Y1.4 <- Customer Loyalty	0.771459	0.769494	0.054488	0.054488	14.158260

Source: 2023 Data Processing, SmartPLS Output

From the table above, the validity of indicators is measured by looking at the *Factor Loading Value* of the variable to the indicator. It is said that the validity is sufficient if it is greater than 0.5 and/or the T- *Statistic value* is greater than 1.96 (Z value at α = 0.05). *Factor Loading* is a correlation between an indicator and a variable. If it is greater than 0.5, it is considered that its validity is met. Likewise, if the T-Statistic value is greater than 1.96, then its significance is met.

Based on the outer loading table above, all reflective indicators on the variables ***Experiential Marketing* (X1), *Emotional Marketing* (X2) and Customer Loyalty (Y),** show *factorv loading* (*original sample*) greater than 0.50 and/or significant (T value -Statistics are more than the Z value α = 0.05 (5%) = 1.96), thus the estimation results for all indicators have met *convergent validity* or good validity.

Discriminant Validity

Table 2 Average Variance Extracted (AVE)

	AVE
Experiential Marketing (X1)	0.487601
Emotional Marketing (X2)	0.449037
Customer Loyalty (Y)	0.528731

Source: 2023 Data Processing, SmartPLS Output

The next measurement model is *the Avarage Variance Extracted (AVE) value* , that is, the value shows the amount of indicator variance contained by the latent variable. Convergent AVE value greater than 0.5 indicates good validity for the latent variable. The reflective indicator variable can be seen from the *Avarage variance extracted (AVE) value* for each construct (variable). A good model is required if the AVE value of each construct is greater than 0.5.

The AVE test results for the *Experiential Marketing* , *Emotional Marketing variables* , both variables show a value smaller than 0.5 **,** so overall the variables in this study can be said to have poor validity, while the AVE test results for the Customer Loyalty variable are 0.528731, variable In this research it can be said that the validity is good.

Composite Reliability

Table 3 *Composite Reliability*

|	**Composite Reliability**
Experiential Marketing (X1)	0.787495
Emotional Marketing (X2)	0.761969
Customer Loyalty (Y)	0.817356

Source: 2023 Data Processing, SmartPLS Output

Construct reliability is measured by the *composite reliability value.* A reliable construct if the *composite reliability value* is above 0.70 then the indicator is said to be consistent in measuring the latent variable.

Composite Reliability test show that the *Experiential Marketing variable* is 0.787495, the *Emotional Marketing variable* is 0.761969, the Customer Loyalty variable is 0.817356. These three variables show a *Composite Reliability value* above 0.70, so it can be said that all the variables in this study are reliable.

PLS Model Analysis

Figure 2 Outer PLS Output Model **r**
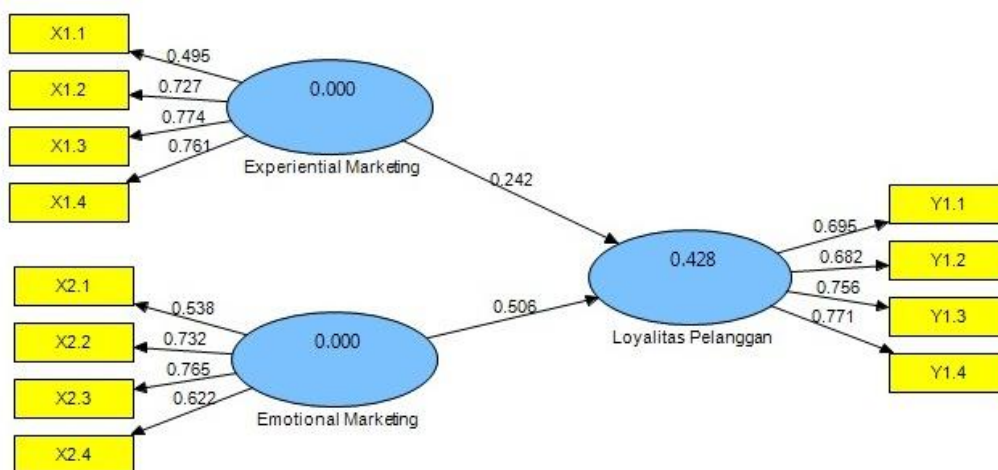
Source: PLS Data Processing

From the PLS output image above, you can see the magnitude of the *factor loading value* for each indicator which is located above the arrow between the variables and indicators, you can also see the magnitude of the path coefficients *which* are above the arrow line between the exogenous variables and the endogenous variables. Apart from that, you can also see the size of *the R-Square* which is right inside the circle of the endogenous variable (Customer Loyalty variable).

R-Square

Table 4 *R-Square*

	R Square
Experiential Marketing	
Emotional Marketing	
Customer loyalty	0.428422

Source: 2023 data processing, SmartPLS output

R^2 value = 0.428422. This can be interpreted to mean that the model is able to explain the phenomenon of Customer Loyalty which is influenced by independent variables including *Experiential Marketing* and *Emotional Marketing* , a variant of 42.84%. Meanwhile, the remaining 57.16% is explained by other variables outside this research (in addition to others *Experiential Marketing* and *Emotional Marketing*) .

Path Coefficient

Table 5 Path Coefficient (Mean, STDEV, T-Value)

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (|O/STERR|)
Experiential Marketing (X1) -> Customer Loyalty (Y)	0.242371	0.260667	0.103681	0.103681	2.337653
Emotional Marketing (X2) -> Customer Loyalty (Y)	0.506129	0.506045	0.089402	0.089402	5.661257

Source: 2023 data processing, SmartPLS output

From the table above it can be concluded that the hypothesis states:

H1: *Experiential Marketing* The positive effect on Customer Loyalty is acceptable, with *path coefficients* of 0.242371, and a *T-statistic value* of 2.337653 which is greater than the Z value α = 0.05 (5%) = 1.96, so it is significant **(positive).**

H2: *Emotional Marketing* The positive effect on Customer Loyalty is acceptable, with *path coefficients* of 0.506129, and a *T-statistic value* of 5.661257 which is greater than the Z value α = 0.05 (5%) = 1.96, so it is significant **(positive).**

The Influence of *Experiential Marketing* on Customer Loyalty

Based on the results of research that has been conducted, it shows that *Experiential Marketing* is able to influence customer loyalty at Starbucks Jemursari. This means that *Experiential Marketing* at Starbucks Jemursari provides new and unique experiences to customers and creates customer satisfaction. This shows that *the Experiential Marketing* found at Starbucks Jemursari is able to create a store atmosphere and conditions that make consumers interested in visiting and making repeat purchases at Starbucks Jemursari. In this research, the

Experiential Marketing variable which has the largest *loading factor* lies in *Think* (mindset), where customers get all information about products easily and affordably. Product information provided by Starbucks Jemursari is through *social media platforms* which provide promotional information, products and interesting agendas. By providing easy and efficient information, customers find it easy to get information and are helped so they don't feel confused when ordering products, and consumers get information such as promotions that can be used and agendas that can be followed, thereby attracting customers to come to Starbucks Jemursari.

The results of this research are in line with research conducted by Dicky & Dewi, 2021, Paransa *et al.,* 2020 which states that *Experiential Marketing* influences Customer Loyalty.

The Influence of *Experiential Marketing* on Customer Loyalty

Based on the results of research that has been conducted, it shows that *Emotional Marketing* is able to influence customer loyalty at Starbucks Jemursari. This means that *Emotional Marketing* at Starbucks Jemursari provides more than just experience and creates closer emotional relationships with customers. This shows that *the Emotional Marketing* found at Starbucks Jemursari is able to foster a feeling of warmth by being closer to customers so that customers feel welcomed by the warm environment of Starbucks Jemursari. In this research, the *Emotional Marketing variable* has the largest *loading factor* , which lies in *the product* , where the product received by the customer has good quality and can be arranged according to the customer's wishes. Offering flavors, types of coffee, types of milk and various flavors that can be combined according to customer orders adds additional value to Starbucks Jemursari, apart from that, customers will also get a closer relationship through the products chosen by Starbucks Jemursar i baristas.

The results of this research are in line with research conducted by Wungkana *et al.,* 2021, Yakub *et al.,* 2022 which states that *Emotional Marketing* has an effect on Customer Loyalty.

CONCLUSION

Experiential marketing contributes to customer loyalty, memorable experiences will increase customer loyalty. *Emotional Marketing* also contributes to customer loyalty, the closer the emotional relationship that is built, the more customer loyalty towards Starbucks Jemursari will be built. This research can be developed as an additional reference for further research. It is hoped that future research can use other variables that influence customer loyalty such as store atmosphere, product reviews, brand image and other variables so that this research can be perfected.

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